HOMESTEAD M.H.C. LLC/YARWOOD M.H.P. LLC 406 NORTH STREET RADCLIFF, KY 40160 PHONE (270) 351-1376 FAX (270) 351-3292

2009-00113

RECEIVED

March 30, 2009

APR - 6 2009

PUBLIC SERVICE

Kentucky Public Service Commission Attn: Mr. Jeff Derouen, Executive Director 211 Sower Blvd. P.O.Box 615 Frankfort, KY 40602

HARDIN COUNTY WATER DISTRICT NUMBER ONE PROPOSED CHANGES IN WATER METER READING FOR MOBILE HOME COMMUNITIES

When I first purchased Homestead Mobile Home Community in 1996, everything in my park was master metered. I inquired about installing individual meters and was told that we could install individual meters but I had to purchase the setters, crocks, meters, etc. from Hardin County Water District Number One. Even though we had enough plastic meter boxes with fasten on lids, we had to purchase the concrete boxes from Hardin County Water District Number One. We could have bought identical meters cheaper than what we had to pay through the Water District. We purchased approximately 129 meter sets and installed them according to the District's specifications. The estimated cost of purchasing the meters and installing them was \$500.00 per lot.

When I purchased Yarwood in 1999, most of the lots already had city meters, however, we still had to purchase many meters for lots that did not have them. The entire park was in a run down condition so that as the money became available we upgraded the lines.

Our belief is that we had an oral contract with Hardin County Water District Number One that if we installed the meters, they would read them. If the Water District violates this contract, it will cost us many, many thousands of dollars.

In today's current economic climate, no bank will lend the money that would be needed for us to do what the Water District wants if the tariff is passed. Therefore, we would have no choice but to purchase all new meters that could be read electronically. We have been doing some cost analysis research on these meters and have discovered to do both parks this would cost approximately \$200,000.00 just for the meters alone. We would be unable to raise the lot rents enough to cover this additional cost which would result in either bankruptcy or closing the parks down as we have seen several parks in Radcliff have to do in the last five years. This in turn will cause a shortage of affordable housing for lower income families.

Some areas of the country have been discussing even multifamily buildings going to individual meters. They have found that people use less water when they see their own bill. This awareness of their own usage could possibly save hundreds of millions of dollars in building new sewer treatment plants and water processing plants. Separate bills make people more green.

We also believe you need to take a look at the true statistic for mobile home parks in Radcliff. The difference between the readings of our master meter and Hardin County Water District Number One's usage figures are very small. In fact, at the January 20, 2009 meeting they stated that the water loss for mobile home parks was 9% compared to an 11% loss for the district as a whole. We have seen water lines leaking in the middle of 31-W for months before the District employees finally repaired them.

Sincerely,

Donald Case

Donald Case, Owner Homestead and Yarwood Mobile Home Parks